



सत्यमेव जयते



**Government of India
and
United Nations Development Programme**

PROJECT DOCUMENT

Capacity Development Initiative

November 2007

NEW DELHI

Country: India

UNDAF Outcome(s)/Indicator(s): Communities are aware of their vulnerabilities, and adequately prepared to manage (and reduce) disaster and environmental related risks

Expected CP Outcome(s)/Indicator (s): Progress towards meeting national commitment under multilateral environmental agreements

Expected CP Output(s)/Annual Targets: Capacities built and pro-poor initiatives supported at national and local levels to directly address environmental issues

Implementing partner: Ministry of Environment and Forests

Responsible parties: Ministry of Environment and Forests for GEF CELL
Centre for Education Environment (CEE), SGP India's National Host Institution for GEF UNDP SGP

The project aims to provide support to the Ministry of Environment and Forests (MoEF) in coordinating activities related to the Global Environment Facility (GEF) in India. The project has twin objectives and components:

Strengthening the institutional capacity of the GEF Cell, this was set up in the Ministry of Environment and Forests (MoEF) with UNDP support in 1999, to assist the Ministry in coordinating GEF related activities in India. This proposal aims at further strengthening the capacity of the Cell to enable India to effectively access, utilize and monitor GEF resources.

Supporting the scaling up and replication initiatives of GEF UNDP Small Grants India Program through project development and strengthening the technical as well as institutional capacity of the program. The GEF Small Grants Programme (SGP) was launched in 1992 to provide support for community-level initiatives that contribute to conserving global biodiversity, mitigating climate change, protecting international waters, reducing impacts of persistent organic pollutants and preventing land degradation while generating sustainable livelihoods.

Programme Period: 2007-2009
Programme Component: Energy & Environment for Sustainable Development
Project Title: Capacity Development Initiative
Project ID:
Project Duration: 2 years
Management Arrangement: National Implementation

Total Budget: \$900,000
Allocated resources:
• Government \$ 100,000
• Regular \$ 900,000
 o Donor _____
 o Donor _____
 o Donor _____
• In kind contributions _____
Unfunded budget: 0

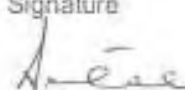
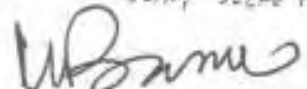

On behalf of	Signature	Date	Name and Title
Agreed by (Implementing partner):	 JOINT SECRETARY	5/12/07	(SUDHIR MITAL) Joint Secretary Min of Env. & Forests Parvathan Bhawan C.G.O. Complex Lodhi Road, New Delhi
Agreed by (GOI)		21.01.08	Department of Economic Affairs (SUDHIR MITAL) Joint Secretary
Agreed by (UNDP):		24/01/08	Country Director Min of Finance Deptt. of Eco. Affairs New Delhi.

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COMPONENT 1:

Project Overview

The project aims to provide support to the Ministry of Environment and Forests (MoEF) in coordinating activities related to the Global Environment Facility (GEF) in India. The project has twin objectives and components:

A. SUPPORT TO THE GEF CELL

The GEF Cell was set up in the Ministry of Environment and Forests (MoEF) with UNDP support in 1999, to provide support to the Ministry in coordinating GEF related activities in India. Presently, it is performing the following tasks:

- Assists MoEF in providing advisory support for the formulation of the GEF projects;
- Assists MoEF in processing GEF projects for endorsement by the GEF Operational Focal Point India. This involves coordination with the concerned line ministries of GOI, state governments, GEF agencies and other stakeholders and conducting the meetings of the GEF Empowered Committee on a quarterly basis;
- Assists MoEF in preparing for GEF Council meetings;
- Assists MoEF in coordinating UNDP/GEF National Capacity Needs Self Assessment (NCSA) project;
- Assist MoEF in conducting national workshops / meetings like GEF National Dialogue, GEF Constituency meeting and GEF Project Development Session;

GEF's Resource Allocation Framework (RAF) began in July 2006. Under RAF India is eligible to access more than USD 120 million as GEF grant in the next four years. The GEF Secretariat is laying strong emphasis on strategic utilization of RAF. India has completed the focal area Programmatic Approach on Climate Change and Land Degradation. The Programmatic Approach for Biodiversity is being prepared. The planning and implementation for these Programmatic Approaches is guided by MoEF. The capacity of the GEF Cell to coordinate while effectively accessing, utilizing and monitoring GEF resources for sustained national and global environmental benefits has to be enhanced further.

B. SUPPORT TO GEF UNDP SMALL GRANTS PROGRAM

The GEF *Small Grants Programme (SGP)* was launched in 1992 to provide support for community-level initiatives that contribute to conserving global environment while generating sustainable livelihoods.

Since September 2000, on behalf of MoEF and UNDP, SGP in India is being hosted and coordinated by the Centre for Environment Education, an Ahmedabad based NGO. The National Steering Committee chaired by the Joint Secretary, MoEF and GEF Operational Focal Point India approves the projects on a quarterly basis. SGP India has funded 230 projects worth of USD 4.2 million of GEF Grant while generating USD 5.36 million as project co-financing (2001-07).

SGP in India has reached a stage, where it is seeking ways to go beyond grant making and is scaling up and replicating successful best practices while influencing policy on key environmental and livelihood issues. MoEF has been supporting this initiative by providing an annual grant of USD 100,000 (2005-06 and 2006-07) from within the in-country resources to support the scaling up of the successful projects.

The UNDP Country Office in India has been supporting similar community-based initiatives for the last ten years. These initiatives have been designed to raise policy issues related to the rights of the marginalized communities to land and resources particularly forest and water resources. The SGP India Program is an effective, transparent and efficient community level delivery mechanism. UNDP CO India has decided to give its full support to this program which effectively reaches the grassroots

in a decentralized manner. This 'support' from the UNDP CO would augment the already available (\$100,000 for the years 2005-06 and 2006-07) annual contribution of the MoEF.

Project Design

A. SUPPORT TO THE GEF CELL

1. Assistance for developing a GEF National Strategy

Assistance will be provided to the MoEF for drafting a GEF National Strategy

2. Regional dialogues

It is proposed to organize more regional dialogues with the objectives to (a) generate awareness regarding GEF (including GEF-SGP); (b) develop regional capacities and understanding of GEF and (c) help incorporate regional perspectives into the GEF National Strategy discussions

3. Policy Support

Independent and regular inputs reviewing the developments and decisions taken under the various Conventions relevant for GEF, to bring out issues from India's perspective and provide an analysis of the inter-linkages between the Conventions will be useful in this context.

4. Monitoring the performance of GEF projects

MoEF (NPD and NC) in association with the concerned stakeholders executing the projects will monitor the performance of the GEF projects on a regular basis with the assistance of the GEF CELL.

5. Support to the GEF Empowered Committee

The GEF CELL will assist the MoEF in the preparation of GEF Empowered Committee meetings.

6. Knowledge Management and Communications Strategy:

Information sources may be developed for greater awareness and dissemination. These will include:

- a) GEF India website
- b) Information brochures, popular publications and documentaries
- c) An electronic helpline/desk will be set up in the MoEF for the GEF-Cell

B. SUPPORT TO UNDP/ GEF/ SMALL GRANTS PROGRAM

Support will be provided to the UNDP GEF SGP India program for funding projects for scaling up and replication. To further strengthen this process, UNDP CO would provide a financial support of USD 700,000 in the next two years. This would also augment SGP India graduation process from the GEF RAF allocation through the scaling up of its best practices to generate more resources from other donor agencies working in India.

At the same time SGP India due to its quick and transparent delivery mechanism could fill the 'gaps' at the grassroots and community level and build on the UNDAF 2008 -12 and contribute by focusing the scaling up initiatives in the seven states (Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, Rajasthan and Uttar Pradesh) along with other states identified on their low ranking on human development, gender disparity as well as high level of Scheduled Caste/ Scheduled Tribe population by the Country programme document of UNDP for 2008-12.

COMPONENT 2: ANNUAL WORK PLAN BUDGET SHEET for Support to GEF UNDP SGP Year: 2007 (Quarter 4)

Expected End of Project Outputs	Planned Activities	Time Frame				Responsible Party	Planned Budget			
		Q1	Q2	Q3	Q4		Source of Funds	Budget Code	Budget Description	Amount in \$
1. Scaling up and replication of GEF UNDP SGP projects with special focus on the UNDAF states	1.1 Project proposal development workshop for scaling up partners conducted 1.2 6-10 project proposals at SGP National Steering Committee meeting approved 1.3 6-10 MoAs signed and Projects commissioned				X	CEE	UNDP		National Project Grant	262,000
							UNDP	71600	National Travel	3000
							UNDP	71300	National consultants	4,000
							UNDP	72100	Communication	1000
							UNDP	72100	Meetings and workshops	2000
2. Capacities of grassroots' communities built to improve livelihoods with environmental sustainability	2.1 Capacities of project proponents built in project inception 2.2 Pre-appraisal field visits for project implementation conducted 2.3 Cross learning and exposure visits of new project proponents to mature scaled up projects conducted				X	CEE	UNDP	71300	National consultants	4000
							UNDP	72100	Communication and publicity	1000
							UNDP	72100	Information resources (database, books, reports etc.)	1000
								71600	National Travel	3,000
3. Capacities of GEF UNDP SGP enhanced	3.1 One training workshop for SGP India Regional Coordinators & Programme Associates on GEF thematic areas, monitoring & evaluation and resource mobilization conducted				X	CEE	UNDP	71300	National consultants	2000
							UNDP	72100	Communication	2,500
							UNDP	71600	National Travel	3000
							UNDP	74500	Administrative overheads	1,500
4. Identification, compilation and documentation of best practices and lessons learnt at the local level	4.1 GEF UNDP SGP project case studies published. (This quarter – Begin compilation and documentation to be continued till 2009)				X	CEE	UNDP	72200	Equipments (Computers, printers etc.)	5,000
							UNDP	74200	Publication expenses (Reports)	2,000
								74200	Website development and maintenance	1,000
								71300	National consultants	2000
TOTAL									300,000	

COMPONENT 3: MANAGEMENT ARRANGEMENT

3.1 Implementation Arrangements – Institutional Mechanisms & Monitoring:

3.1.1 The Implementing Partner:

The project will be nationally implemented by the Ministry of Environment and Forests (MoEF). The MoEF will designate a National Project Director (NPD) at the Ministry, who will be responsible for overall management, including achievement of planned results, and for the use of UNDP funds through effective process management and well established project review and oversight mechanisms. The NPD will be assisted by the GEF Cell and the Responsible Party i.e. the MoEF for THE GEF Cell component, and by the Responsible Party (CEE through the National Coordinator), located in the CEE for the day-to-day management of the GEF UNDP SGP component.

The implementing Partner will also sign a budgeted Annual Work Plan with UNDP on an annual basis, as per UNDP rules and regulations.

3.1.2 Responsible Parties:

GEF CELL - The Ministry of Environment and Forests, GoI is the responsible party for the GEF CELL. The main institutional mechanism for guiding the project for the GEF Cell will be the National Project Director (NPD) who is the GEF Operational Focal Point in the MoEF.

The Ministry of Environment and Forests, will be responsible for the management of GEF Cell project activities under the overall guidance of the NPD and the Project Steering Committee, and will coordinate the programme activities including the preparation of annual work plan, budget, financial reports, etc and will interface with the programme management board on sub-programme management issues.

Under the guidance of MoEF the GEF Cell will provide able and qualified management capacities to the GEF projects, as well as infrastructural facilities, documentation and access international databases.

GEF UNDP SGP - The Centre for Education Environment (CEE), which is the National Host Institution for the SGP India, is the responsible party for the GEF UNDP SGP. The responsible party will function with the approval of the MoEF and the National Steering Committee of the SGP India Programme.

3.1.3 Project Steering Committee

As the project aims to provide support to the MoEF in coordinating activities related to the GEF in India, one Project Steering Committee (PSC) would be constituted.

GEF CELL – For this is component a Project Steering Committee (PSC) will be constituted at the MoEF comprising of designated representatives from the MoEF, UNDP and the GEF Cell and will be chaired by the National Project Director (NPD).

GEF UNDP SGP – For this component, the members of existing SGP India National Steering Committee (NSC chaired by the GEF Operational Focal Point at MoEF) would also be invited for the PSC meetings. The PSC would be an extended PSC which would be an addition to the designated representatives from the Ministry and UNDP, also have the representatives from CEE and external civil society. The PSC will represent the following mandated roles.

The PSC will represent the following mandated roles.

- Implementing Partner/ MoEF representing the project ownership and executive of the group,
- UNDP to provide guidance regarding the technical feasibility of the project, and

- MoEF to ensure the realization of project benefits from the perspective of project beneficiaries.

The PSC will carry out the following functions:

- Ensure that the project goals and objectives are achieved in a defined timeframe;
- Review the project progress and suggest implementation strategies periodically;
- Review the project expenditures against activities and outcomes; and
- Approve Annual and Quarterly Work Plans.

The PSC will be the group responsible for making by consensus management decisions for the project and periodic reviews. In order to ensure UNDP's ultimate accountability, final decision making rests with UNDP in accordance with its applicable regulations, rules, policies and procedures. Project reviews by PSC will be carried out at designated decision points (preferably quarterly meetings) during the running of the project, or as necessary when raised by the Project Manager.

3.1.4 National Project Director

The concerned Joint Secretary, MoEF, will be the National Project Director (NPD). The NPD will coordinate project implementation on behalf of the Ministry of Environment and Forests and ensure its proper implementation.

3.1.5 Project Manager

GEF CELL - A full time Project Manager will be recruited by the MoEF under component funds for the day-to-day management and decision making of the component and will be accountable to the NPD and PSC. S/he will prepare the detailed activity and monitoring plan based on the annual workplan (AWP) and budget and submit it to the PSC for approval. The project manager will be supported/assisted by the Project Management Unit which is provided by the Responsible Party (MoEF).

The Project Manager will ensure that the component produces the results specified in the project document, to the required standards of quality and within the specified constraints of time and cost. The Project Manager will prepare and submit to UNDP the following reports/documents: Annual and Quarterly Work Plans, Quarterly and Annual Progress Reports (substantive and financial), Issue Log, Risk Log, Quality Log, Lessons Learnt Log, Communications and Monitoring Plan using standard reporting format to be provided by UNDP.

The Project Manager will work in close collaboration with the MoEF and other partner organizations and undertake periodic monitoring and review of project activities.

GEF UNDP SGP - A full time Project Manager as GEF UNDP SGP National Coordinator, already functional under the program shall be responsible for the component funds and for the day-to-day management and decision making of the component and will be accountable to the PSC. S/he will prepare the detailed activity and monitoring plan based on the annual work plan (AWP) and budget and submit it to the PSC for approval. The National Coordinator will be supported/assisted by the Project Management Unit which is provided by the Responsible Party (CEE).

The National Coordinator will ensure that the project produces the results specified in the project document, to the required standards of quality and within the specified constraints of time and cost. The National Coordinator will prepare and submit to UNDP the following reports/documents: Annual and Mid Term Work Plans, Mid term and Annual Progress Reports (substantive and financial), Issue Log, Risk Log, Quality Log, Lessons Learnt Log, Communications and Monitoring Plan using standard reporting format to be provided by UNDP

The National Coordinator will work in close collaboration with the MoEF, Responsible Party and other partner organizations and undertake periodic monitoring and review of project activities.

Both the GEF Cell and SGP India project managers will consolidate the AWP for their components under the guidance of the NPD.

3.1.6 Project Assurance

Project Assurance will be the responsibility of UNDP. The Project Assurance role will support the PSC by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed.

3.1.7 Funds Flow Arrangements and Financial Management

MoEF will make suitable provisions for UNDP funds. MoEF will enter into an agreement with the UNDP for implementing the project components. Based on the AWP, quarterly budget plan will be prepared by Ministry and funds will be released accordingly. MoEF will account for funds received from UNDP on a quarterly basis through the standard fund authorization and certificate of expenditure (FACE) report. The Project Manager will be responsible for compilation and collation of these financial reports. Unspent funds from the approved AWP's will be reviewed in the early part of the last quarter of the calendar year and funds reallocated accordingly. The detailed UNDP financial guidelines will be provided on signature of the project.

Funds will be released by UNDP on direct payment, based on the approval of the work plans and budgets by the PSC.

The Responsible Parties shall maintain separate bank account in order to receive and disburse UNDP funds. Separate books of account on cash basis of accounting shall also be maintained in order to ensure accurate reporting of expenditure and providing a clear audit trail.

Requests for release of funds by UNDP will be made by the NPD through the signed standard FACE format as per the UNDP rules and regulations.

SGP NHI/CEE and the GEF Cell will report disbursement to the MoEF NPD who will in turn inform UNDP on a quarterly basis, in the financial report format referred to earlier (i.e. FACE).

Up to 1 % of the total project budget will be allocated for communication and advocacy activities undertaken by UNDP.

Interest clause: Any interest accrued on the project money during the project implementation process is UNDP money and will be ploughed back into the project in consultation with MoEF and UNDP or refunded to UNDP if there is no scope for ploughing back.

3.1.8 Audit

The project shall be subject to audit in accordance with UNDP procedures and as per the annual audit plan drawn up in consultation with DEA. The project shall be informed of the audit requirements by January of the following year. The audit covering annual calendar year expenditure will focus on the following parameters – (a) financial accounting, documenting and reporting; (b) monitoring, valuation and reporting; (c) use and control of non-extendible reporting; (d) UNDP country office support. In line with the UN audit board requirements for submitting the final audit reports by 30 April, the auditors will carry out field visits during February/March. Detailed instructions on audit will be circulated by UNDP separately and on signature.

Cost recovery for implementation support services by UNDP will be charged as per UNDP rules and regulations. The details of UNDP's support services will be outlined while finalizing the annual workplan and budget for each year.

COMPONENT 4: MONITORING AND EVALUATION

The Project Steering Committee (PSC) will monitor the progress of the project. The PSC will give an emphasis to reviewing the activities of the project in a more holistic manner. A monitoring framework will be developed in consultation with the implementing partner at the beginning of the project that will enable tracking the progress of the project for its objectives and achievement of outputs as per the success indicators mentioned in the proposal document as well as ensure a closer examination of substantive issues of the Project.

The Quarterly and Annual Progress Reports shall be submitted by the Project Managers to the PSC through Project Assurance, using the UNDP standard report format available.

An Issue Log shall be activated in Atlas and updated by the Project Managers to facilitate tracking and resolution of potential problems or requests for change.

A Risk Log shall be activated in Atlas and regularly updated every quarter by reviewing the external environment that may affect the project implementation.

A project Lessons-learned Log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project.

Detailed Communication and Advocacy Plans will be prepared to describe which activities and outputs will be monitored, reviewed and evaluated, how and by whom. The Plans will articulate the types of communication and associated scheduling required during the project, as well as methods of communicating project results to stakeholders shall be activated in Atlas and updated to track key management actions/events.

To complement the above, an annual project review will be conducted during the fourth quarter of year as a basis for assessing the performance of the project. In the last year, this review will be a final assessment. This review will involve all key project stakeholders and the Implementing Partner, and focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes. The review will be structured by a set of common standards, and will be subject to spot external quality assurance assessments. This review should update output targets and results achieved in Atlas.

GEF UNDP SGP - The monitoring and evaluation of the projects that will be approved for scaling up and replication under the Small Grants Programme will be carried out as per the global GEF UNDP SGP systems. The objective is to adopt a process monitoring approach under which the monitoring and evaluation will be a continuous and participatory process. Discussions and field visits will be done at every stage of the implementation so as to evaluate the progress of the project and to suggest corrective actions wherever required.

The NC will review and apprise the project proponents and the projects will go through a pre-approval appraisal at the SGP India regional committee level and will be approved by the Project Steering Committee (which comprises of members of the SGP India National Steering Committee). The implementing NGOs/CBOs have to furnish quarterly reports, midterm reports and a final evaluation report along with utilization certificates for the released installments of grants to the SGP Regional Committee and as well as the SGP National coordinator and UNDP GEF SGP India National Secretariat as per the given SGP formats for the same. Field evaluation visits will also be carried out during the mid-term and the final completion of the project by the SGP staff and/or external evaluators, the report of which will be submitted to the Regional Committee and the SGP National Coordinator and SGP National Secretariat and UNDP GEF SGP India and as required in the program.

At the level of the National Host Institution, the MoEF and the UNDP CO, the procedure for monitoring the utilization of funds under the proposed project will be follows:

- A separate account will be made for this project (UNDP - SGP), while sanctioning projects. The records will be on the similar lines as the present SGP India guidelines.
- The UNDP CO will release the grant on the existing SGP modality after the approval of the Project Steering Committee/NSC. It is requested that the UNDP CO release funds to SGP NHI on an annual basis and the utilization of these funds will be subject the approval of PSC of SGP India and the issue of MOAs by UNDP CO. The sanctioned amount should not exceed 350,000 USD every year for 2 years (2007-09). The SGP NHI is required to meet the commitments of disbursements to the NGO/CBO partners timely in each one of the respective years.
- The proposals however shall only be sanctioned "for scaling-up and replication of the effective technologies, approaches and systems etc from the experiences of the SGP projects partners and partner donors on the GEF Thematic areas." The scaling-up/replication is in terms of geographical area or into policy related issues with CBOs or organized communities. They can both be the ongoing partners and the new partners either replicating or scaling up the innovative ideas.
- Proposals from the NGO/CBO partners will follow the present UNDP GEF SGP India system for screening i.e. be screened and recommended by NHI's decentralized system to the Project Steering Committee/NSC for approval.
- Formats for quarterly reporting, Mid-term Monitoring and Final Evaluation are attached for reference at Annexure 3 in the project brief approved by the DEA and MoEF.
- Disbursement of project grants will be done by NHI as per the MoA. First Installment will be given "upon signing of the Agreement"; Second Installment upon receipt and acceptance of the mid term reports (MTRs) and expenditure statements report supported by the Audited Utilization certificate (UC) of accounts, the funds will be released within one month of the submission of the UC. Third Installment, final will be released on completion of the project in all respects and acceptance of the final completion report and the final utilization Statement (UC) expenditure report supported by an audited statement of accounts for the project.
- Vendor Form and the authorization statement as per Annexure 2 shall be prepared for each of the sanctioned projects by the NHI, The copy of the authorization and the vendor form shall be also submitted for every project/ release of every installment to the MoEF. This shall be released by the NHI only on receipt of "Audited Utilization Certificate" on the use of the respective installment by the Grantee partner. The funds shall be directly released in the name of the NGO/CBO Grantee partners as per the MoA Contract.
- The grants will be sanctioned on annual basis through the Project Steering Committee /NSC to individual projects, not exceeding USD 50,000 for each project.
- The projects shall be sanctioned to the NGO's and CBO's on the "similar criteria's" as in the GEF Small Grants Program.
- Based on the decision of the PSC/NSC for approval of a project, a copy each of Memorandum of Agreement (MoA) will be sent to the UNDP CO, NGO/CBO, CEE-Regional cell and SGP NC and National Secretariat based in Delhi. The project manager/ NC shall facilitate this process.
- Every quarter the details shall be furnished in the form of a disbursement on the projects approved and the records shall be kept and provided to PSC/NSC.

The Annual Work Plan (AWP) Monitoring Tool

Year: 2007

CP Component: Energy & Environment for Sustainable Development
 Implementing Partner: Ministry of Environment and Forests

Support to GEF Cell

EXPECTED OUTPUTS AND INDICATORS including annual targets	PLANNED ACTIVITIES	EXPENDITURES	RESULTS OF ACTIVITIES	PROGRESS TOWARDS ACHIEVING OUTPUTS
OUTPUT 1: Assist MoEF in drafting a GEF National Strategy and develop programmatic approaches for Biodiversity, Climate Change, Land Degradation and Persistent Organic pollutants	1.1. Consultants hired 1.2. Programmatic approaches and Project proposals reviewed and approved			
OUTPUT 2: Capacity of the GEF Cell enhanced	2.1 GEF documentation library at MoEF set up 2.2 Website launched			

The Annual Work Plan (AWP) Monitoring Tool

Year: 2007

CP Component: Energy & Environment for Sustainable Development
 Implementing Partner: Ministry of Environment and Forests

Support to GEF UNDP SGP

EXPECTED OUTPUTS AND INDICATORS including annual targets	PLANNED ACTIVITIES	EXPENDITURES	RESULTS OF ACTIVITIES	PROGRESS TOWARDS ACHIEVING OUTPUTS
OUTPUT 1: Scaling up and replication of GEF UNDP SGP projects with special focus on the UNDAF states	1.1. Project proposal development workshop for scaling up partners conducted 1.2 6-10 project proposals at SGP National Steering Committee meeting approved 1.3 6 -10 MoAs signed and Projects commissioned			
OUTPUT 2: Capacities of grassroot communities built to improve livelihoods with environmental sustainability	2.1 Capacities of project proponents built 2.2 Pre-appraisal field visits for project implementation conducted 2.3 Cross learning and exposure visits of new project proponents to mature scaled up projects conducted			
OUTPUT 3: Capacities of GEF UNDP SGP enhanced	3.1. One training workshop for SGP India on GEF thematic areas, monitoring & evaluation and resource mobilization conducted			
OUTPUT 4: Identification, compilation and documentation of best practices and lessons learnt at the local level	4.1 GEF UNDP SGP project case studies published, (This quarter – Begin compilation and documentation to be continued till 2009)			

COMPONENT 5: Legal Context

This project document shall be the instrument envisaged in the Supplemental Provisions to the Project Document attached hereto as Annex 2.

The following types of revisions may be made to this document with the signature of the UNDP Country Director only, provided he or she is assured that the other signatories of the Project Document have no objections to the proposed changes.

- Revisions in, or addition of, any of the Annexes of the project document (with the exception of a Standard Legal Text for non-SBA countries which may not be altered and agreement to which is a pre-condition for UNDP assistance);
- Revisions which do not involve significant changes in the immediate objectives, outputs or activities of the Project but are caused by the re-arrangements of inputs already agreed to or by cost increases due to inflation; and
- Mandatory annual revisions, which re-phase the delivery of agreed project inputs or increased experts or other costs due to inflation.

The implementing Partner and Responsible Parties shall, at all times, ensure compliance with UNDP RMG guidelines to the extent they do not conflict with the extant rules and provisions of Government of India.

COMPONENT 6:

Annexures

LIST OF ACRONYMS

AWP	Annual Work Plan
CBO	Community - Based Organization
CCF	Country Cooperation Framework
CEE	Centre for Environment Education
CPMT	Central Programme Management Team
DEA	Department of Economic Affairs, Gol
FSP	Full Size Project
GEF	Global Environment Facility
Gol	Government of India
MoA	Memorandum of Agreement
MoEF	Ministry of Environment & Forests, Gol
MDGs	Millennium Development Goals
MSP	Medium Size Project
NC	National Coordinator
NCSA	National Capacity Needs Self Assessment
NGO	Non Government Organization
NHI	National Host Institution
NREGA	National Rural Employment Guarantee Act
NSC	National Steering Committee
POPs	Persistent Organic Pollutants
RAF	Resource Allocation Framework
RPA	Regional Programme Associate
RC	Regional Coordinator
SGP	Small Grants Programme
SHGs	Self Help Groups
TORs	Terms of References
UNDP	United Nations Development Programme

Final draft
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[Signature]

UNDP Project Document

GOVERNMENT OF INDIA UNITED NATIONS DEVELOPMENT PROGRAMME SMALL GRANTS INDIA PROGRAMME

Executing Agency: Ministry of Environment and Forests, GoI

Local Implementing Agency: Ministry of Environment and Forests, GoI and Centre for Education Environment (CEE), SGP India's National Host Institution

Capacity Development Initiative

BRIEF DESCRIPTION

This proposal has twin objectives:

- A. Strengthening the institutional capacity of the GEF Cell, this was set up in the Ministry of Environment and Forests (MoEF) with UNDP support in 1999, to assist the Ministry in coordinating GEF related activities in India. This proposal aims at further strengthening the capacity of the Cell to enable India to effectively access, utilize and monitor GEF resources.
- B. Supporting the scaling up initiatives of UNDP/ GEF/ Small Grants India Program through project development and strengthening the technical as well as institutional capacity of the program. The GEF Small Grants Programme (SGP) was launched in 1992 to provide support for community-level initiatives that contribute to conserving global biodiversity, mitigating climate change, protecting international waters, reducing impacts of persistent organic pollutants and preventing land degradation while generating sustainable livelihoods.

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SIGNATURE PAGE

Country: India

UNDAF Outcome(s)/Indicator(s)¹:

(Link to UNDAF outcome. If no UNDAF, leave blank)

Expected Outcome(s)/Indicator (s)²:

(CP outcomes linked to the SRF/MYFF goal and service line)

Expected Output(s)/Annual Targets³:

(CP outputs linked to the above CP outcome)

Implementing partner:

(Designated institution/ executing entity)

Responsible parties:

(Implementing entities)

- 1) Strengthen GEF Cell at MoEF
- 2) Supporting Scaling Up initiatives of UNDP/ GEF/ SGP India Program

Effective access, utilization and monitoring of GEF grants and Supporting the Community-lead initiatives under SGP India Program

UNDP

Ministry of Environment and Forests, GoI and Centre for Environment Education (NHI for SGP India)

Programme Period: 2007 – 2009*
 Programme Component:
 Project Title: Capacity Development Initiative
 Project ID: PIMS No Atlas No
 Project Duration: 2 years
 Management Arrangement: NEX

* **NOTE:** The performance of the support to the GEF Cell and UNDP/ GEF/ Small Grants India Program will be reviewed in 2009 by MoEF and UNDP and accordingly the decision will be taken to extend the UNDP's support through CCF 3.

Budget	USD 900.000
General Management Support Fee	
Total budget:	
Allocated resources:	USD 900.000
• Government	
• Regular	USD 900.000
• Other:	
• In kind contributions	
Unfunded budget:	

Agreed by
(Ministry of Environment and Forests): Mr. Sudhir Mital, Joint Secretary and GEF Focal Point

Agreed by
(Department of Economic Affairs): Mr Madhusudan Prasad, Joint Secretary

Agreed by (UNDP): Ms Deidre Boyd, Country Director

¹ For global/regional projects, this is not required
² For global/regional projects, these are outcomes identified in GP/RP
³ For global/regional projects, these are outputs identified in GP/RP

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LIST OF ACRONYMS

AWP	Annual
CBO	Community - F
CCF	Country Coop
CEE	Centre for Env
CPMT	Central Program
DEA	Department c
FSP	Ful
GEF	Global E
GoI	Govt
MoA	Memoriz
MoEF	Ministry of E
MDGs	Millenni
MSP	M
NC	Ni
NCSA	National Ca
NGO	Non C
NHI	Ni
NREGA	National R
NSC	Nat
POPs	Pe
RAF	Res
RPA	Rei
RC	
SGP	
SHGs	
TORs	
UNDP	Unite

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SECTION: 1 BRIEF NARRATIVE

PART I: SITUATION ANALYSIS

A. SUPPORT TO THE GEF CELL

The GEF Cell was set up in the Ministry of Environment and Forests (MoEF) with UNDP support in 1999, to provide support to the Ministry in coordinating GEF related activities in India. Presently, it is performing the following tasks:

- Assists MoEF in providing advisory support for the formulation of the GEF projects;
- Assists MoEF in processing GEF projects for endorsement by the GEF Operational Focal Point India. This involves coordination with the concerned line ministries of GOI, state governments, GEF agencies and other stakeholders and conducting the meetings of the GEF Empowered Committee on a quarterly basis;
- Assists MoEF in preparing for GEF Council meetings;
- Assists MoEF in coordinating UNDP/GEF National Capacity Needs Self Assessment (NCSA) project;
- Assist MoEF in conducting national workshops / meetings like GEF National Dialogue, GEF Constituency meeting and GEF Project Development Session;

In July 2006 with GEF's Resource Allocation Framework (RAF) coming into force, India has become eligible to access more than USD 120 million as GEF grant in the next four years. Furthermore, as the GEF is emphasizing on strategizing, India is working towards preparing the Programmatic Approach on Biodiversity, Climate Change and Land Degradation focal areas. The PMU for planning and implementing most of these Programmatic Approaches will be housed in MoEF. In this scenario, it becomes to enhance the coordination-related capacity of the GEF Cell to effectively access, utilize and monitor GEF resources for sustained national and global environmental benefits.

B. SUPPORT TO UNDP/ GEF/ SMALL GRANTS PROGRAM

The GEF *Small Grants Programme (SGP)* was launched in 1992 to provide support for community-level initiatives that contribute to conserving global biodiversity, mitigating climate change, protecting international waters, reducing impacts of persistent organic pollutants and preventing land degradation while generating sustainable livelihoods. SGP complements GEF full- and medium-sized project funding, by providing a window for the direct participation of NGOs, local communities, and other grassroots organizations. This GEF Corporate Programme is administered by UNDP in more than 80 country offices. To date, there are 95 countries participating, with 7-10 new countries being added each year. The funding to date comprises USD 175.2 million from GEF and USD 105.8 million from other partners in cash or in-kind equivalents. The maximum grant amount per project is US\$ 50,000, but averages around USD 25,000 globally. Grants are channeled directly to CBOs and NGOs. More than 7,100 grants have been awarded worldwide to date, with many benefiting multiple communities.

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2. Regional dialogues

At the GEF National Dialogue Workshop in Mussoorie in Feb 2006, organizing Regional dialogues were recommended. It is thus proposed to organize more of such dialogues with the following objectives (a) to generate awareness regarding GEF (including GEF-SGP); (b) develop regional capacities and understanding of GEF (including GEF-SGP) criteria, national priorities and project development and implementation; and (c) to help incorporate regional perspectives into the GEF National Strategy discussions (the recommendations from the dialogues will feed into the second National brainstorming session for the drafting of the GEF National Strategy). As a follow-up of these dialogues, guidance to the regional counterparts for project development will be provided on an ongoing basis.

3. Policy Support

GEF is guided by the International Multilateral Environmental Conventions in developing its strategic programmatic priorities, which may be mapped with national priorities for project development. Independent and regular inputs reviewing the developments and decisions taken under the various Conventions (relevant for GEF particularly UNFCCC, CBD, UNCCD, Stockholm Convention) to bring out issues from India's perspective and provide an analysis of the inter-linkages between the Conventions will be useful in this context.

4. Monitoring the performance of GEF projects

MoEF (NPD and NC) in association with the concerned stakeholders executing the projects will monitor the performance of the GEF projects on a regular basis with the assistance of the GEF CELL. In this regard, review meetings will be organized at MoEF every three months under the chairmanship of GEF Operational Focal Point India to ensure better performance of projects.

5. Support to the GEF Empowered Committee

The Empowered Committee meets every quarter to review project proposals for approval. Presently, GEF project proposals and concept notes received by the MoEF, for endorsement go through preliminary screening at the MoEF, supported by the GEF Cell. If the project proposal is satisfactory and meets the stipulated GEF criteria, it is shared with the concerned thematic divisions at MoEF and line ministries of Government of India, State Governments and GEF Implementing agencies for comments. Thereafter, the proposal is presented before the GEF Empowered Committee chaired by the Secretary (E&F) for consideration and approval.

After preliminary screening at the MoEF, the proposal may be shared with independent technical experts for further review. In this regard, the MoEF supported by the GEF Cell may maintain a roster of experts. For larger projects separate monitoring and review may be arranged on a case to case basis.

The GEF CELL will assist the MoEF in the preparation of GEF Empowered Committee meetings.

and 2006-07) from MoEF. To further strengthen this process of support grassroots innovations, UNDP Co would like to provide a financial support of USD 700,000 in the next two years. This would also augment SGP India graduation process from the GEF RAF allocation through the scaling up of its best practices to generate more resources from other donor agencies working in India. At the same time SGP India due to its quick and transparent delivery mechanism could fill the 'gaps' at the grassroots and community level and build on the UNDAF 2008 -12 and contribute by focusing the scaling up initiatives in the seven states (Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Orissa, Rajasthan and Uttar Pradesh) identified on their low ranking on human development, gender disparity as well as high level of Scheduled Caste/ Scheduled Tribe population by the Country programme document of UNDP for 2008-12.

Geographical & Thematic areas: It is imperative that SGP India concentrates on the tribal pockets, remote areas and poverty ridden districts, while maintaining geographic or thematic focus as the program is country driven and expected to link the local governments in all states. As it is seen as the flagship program of the UNDP and the MoEF this kind of a focus would fall in line with national environment and energy policies, by which SGP India can work throughout the country while promoting the sustainable use of forest resources and access to markets through the state livelihood mission in context of the new Tribal Bill.. While putting forward proposals, equilibrium shall be maintained between the scaling up quality projects within the geographical/thematic areas.

Scaling up can be done in terms of the following:

- Increase in the number of beneficiaries/households covered under the project
- Increase in the area brought under coverage of the project
- Introducing new and/or up-graded technology in the project area
- Adopting better processes in project implementation – Cluster Approach⁴

While the first two can be stand alone criteria for up scaling, it is expected that the last two will be accompanied by either an increase in the number of beneficiaries/households or an increase in the area of coverage.

To take a pro-active stand and build capacities of SGP partners for scaling up of projects, the SGP will encourage cross sharing and visits between partners and their communities, sharing skills, ideas, technologies and knowledge. Regional workshops/ focused meetings will be organized to provide the partners with a common platform for cross learning and networking. This should in fact start at the year one of the ongoing projects time period

"Essential Criteria" to be fulfilled by proposed scaling-up proposals:

1. The ongoing SGP project should have clear monitoring and evaluation reports and audited accounts.

⁴The Cluster approach ensures an integrated thematic response, drawing upon the comparative advantages of each agency, fund and program and leveraging resources through inter-agency partnerships. The Clusters can address key priorities, developing projects in partnership. This ensures coordination among diverse stakeholders, joint programming, information sharing, knowledge sharing on technical and policy issues, joint formulation of sectoral themes, strategies, promote implementation synergies by combining support and common services.

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2. Ongoing projects should indicate clear, quantifiable and qualitative results.
 3. The justification given for the up-scaling should be based on the lessons learnt from the ongoing project.
 4. Address livelihood, equality and gender concerns and sensitivities.
 5. Generate people's participation in planning, implementation and monitoring of programs within project.
 6. Up-scaling efforts should not only focus on increasing the number of beneficiaries or geographical area, but should also address additional barriers, forge more partnerships & linkages and generate more co-financing.
 7. Scaling-up projects should be more financially sound than the ongoing project.
 8. Sources of co-financing and other partnerships should be clearly identified.
 9. Community mobilization should be strong and the community and the organization should have a clear idea of the additional risks, roles, contributions etc. associated with scaling up.
 10. Cross sharing with other SGP partners and exposure visits should be integrated into the project plan.

2. Knowledge Management (KM) and Resource Mobilization (RM) Strategy:

The objective of KM and RM strategy is to:

- Raise awareness of the SGP's partners and communities mission, activities and impacts among diverse stakeholders
- Enhance global and local credibility of the SGP by highlighting SGP success in addressing environmental concerns and sustainable livelihoods at the grassroots level.
- Development and presentation of consistent messages about GEF SGP India programs innovative projects
- Identification, compilation and documentation of 'best practices' and 'lessons learnt' at the local level.
- Showcasing of lessons learnt to formulate KM and RM strategy to generate resources and to make SGP a sustainable program within India in the next two years.
- Dissemination of 'living knowledge' for all stakeholders to showcase the successful SGP India projects

KM and RM strategy is demand driven and should be need based. It needs to be analytical and a focused collation of relevant data through regular/tailor made dissemination and intervention. As a result it is necessary to develop the knowledge products to the needs of the focused knowledge users. The KM and communications products can be:

- Project Documents/Articles/Stories/Case Studies
- Audio visual dissemination e.g. Documentaries, Community Radios, IT kiosks
- Workshops/ Conferences/ Focus group discussions
- Monitoring and Evaluation to be linked to users of information
- Database/ Website/Solution Exchange intranets

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3. Monitoring and Evaluation:

The monitoring and evaluation of the projects that will be approved for scaling up and replication under the Small Grants Programme will be carried out as per the SGP systems. The objective is to adopt a process monitoring approach under which the monitoring and evaluation will be a continuous and participatory process. Discussions and field visits will be done at every stage of the implementation so as to evaluate the progress of the project and to suggest corrective actions wherever required.

The NC will review and apprise the project proponents and the projects will go through a pre-approval appraisal at the regional committee level and will be approved by the National Steering Committee of the SGP. The implementing NGOs/CBOs have to furnish quarterly reports, midterm reports and a final evaluation report along with utilization certificates for the released installments of grants to the Regional Committee and as well as the SGP National coordinator and UNDP GEF SGP India National Secretariat as per the given SGP formats for the same. Field evaluation visits will also be carried out during the mid-term and the final completion of the project by the SGP staff and/or external evaluators, the report of which will be submitted to the Regional Committee and the SGP National Coordinator and SGP National Secretariat and UNDP GEF SGP India and as required in the program.

At the level of the National Host Institution, the MoEF and the UNDP CO, the procedure for monitoring the utilization of funds under the proposed project will be follows:

- A separate account will be made for this program (UNDP - SGP), while sanctioning projects. The records will be on the similar lines as the present SGP India guidelines.
- Based on the decision of the NSC for approval of a project, a copy each of Memorandum of Agreement (MoA) will be sent to the UNDP CO, NGO/CBO, CEE-Regional cell and SGP NC and National Secretariat based in Delhi. The NC shall facilitate.
- SGP INDIA NHI shall submit on yearly basis Audited Utilization Statement (UC) on the grants extended by UNDP CO and on the administrative and related budgeted expenditures.
- Every quarterly the details shall be furnished in the form of a disbursement table as Annexure 4 on the projects approved and the records shall be kept on the NSC basis and also on the yearly basis and put up for approval every NSC meeting.

PART III: MANAGEMENT ARRANGEMENTS

GEF CELL - In line with the National Execution guidelines (July 1998) issued by the DEA, Ministry of Finance and the UNDP's corporate procedures, this project will be executed nationally. The MoEF, Govt will be the Executing Agency for the project, and will be responsible for its overall management including achievement of planned results and for the use of UNDP funds. Moreover, for the GEF Cell, MoEF will also act as the local executing agency. The main institutional mechanism for guiding the project for the GEF Cell will be the National Project Director (NPD) who is the GEF Operational Focal Point in the MoEF (to be decided by the MoEF). The NPD will be assisted by the National Coordinator (to be decided by the MoEF).

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SGP – The Centre for Environment and Education, the present National Host Institution (NHI) of the SGP India will act as local implementing agency and will function with the approval of MoEF and the National Steering Committee of SGP India Program. The main institutional mechanism for guiding the SGP component would be the already existing National Steering Committee of SGP India chaired by the GEF Operational Focal Point in the MoEF for this project. The NC would be the SGP India Program NC guided by the SGP India NSC.

The performance of the support to the GEF Cell and UNDP/ GEF/ Small Grants India Program will be reviewed in 2009 by MoEF and UNDP Country Office and accordingly the decision will be taken to extend the UNDP's support under CCF 3 for a further period of three years.

A. SUPPORT TO THE GEF CELL

The GEF Cell is based at MoEF and under the supervision of the GEF Operational Focal Point in India and the UNDP. Presently, there is one consultant working at the GEF Cell. For effective functioning of the GEF Cell, contractual staff would be employed as per the annexure at Section IV.

B. SUPPORT TO UNDP/ GEF/ SMALL GRANTS PROGRAM

Under UNDP/ GEF/ SGP, the management arrangements for the release and utilization of the grants for the approved project proposals will be as follows:

- The UNDP CO will release the grant on the existing SGP modality after the approval of the National Steering Committee. It is requested that the UNDP CO release funds to SGP NHI on an annual basis and the utilization of these funds will be subject the approval of NSC of SGP India and the issue of MOAs by UNDP CO. The sanctioned amount should not exceed 350,000 USD every year for 2 years (2007-09). The SGP NHI is required to meet the commitments of disbursements to the NGO/CBO partners timely in each one of the respective years.
- The proposals however shall only be sanctioned "for scaling-up of the effective technologies, approaches and systems etc from the experiences of the SGP projects partners and partner donors on the GEF Thematic areas." The scaling-up can both are in terms of geographical area or into policy related issues with CBOs or organized communities. They can both be the ongoing partners and the new partners either replicating or scaling up the innovative ideas.
- Proposals from the NGO/CBO partners will follow the present UNDP GEF SGP India system for screening i.e. be screened and recommended by NHI's decentralized system to the National Steering Committee for approval.
- SGP India shall charge "administrative expenditure" of USD 42,000 annually (at the rate of 12 %) under the program. Additional amounts can however be approved for the capacity building workshops, equipments and monitoring and evaluation of the partners and the staff of the NHI as detailed in the attached budget every year for the period 2007-09.

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- The unspent funds from the USD 350,000 on yearly basis can be considered to be used as expenditure for the conduct of issue-based-experience sharing workshops on need basis as per the available funds.
 - Formats for quarterly reporting, Mid-term Monitoring and Final Evaluation are attached for reference at Annexure 3.
 - Disbursement of project grants will be done by NHI as per the MoA – (Annexure 5) i.e. First Installment will be given "upon signing of the Agreement"; Second Installment upon receipt and acceptance of the mid term reports (MTRs) and expenditure statements report supported by the Audited Utilization certificate (UC) of accounts, the funds will be released within one month of the submission of the UC. Third Installment, final will be released on completion of the project in all respects and acceptance of the final completion report and the final utilization Statement (UC) expenditure report supported by an audited statement of accounts for the project.
 - Vendor Form and the authorization statement as per Annexure 2 shall be prepared for each of the sanctioned projects by the NHI. The copy of the authorization and the vendor form shall be also submitted for every project/ release of every installment to the MoEF. This shall be released by the NHI only on receipt of "Audited Utilization Certificate" on the use of the respective installment by the Grantee partner. The funds shall be directly released in the name of the NGO/CBO Grantee partners as per the MoA Contract.
 - The grants will be sanctioned on annual basis through the National Steering Committee to individual projects, not exceeding USD 50,000 for each project.
 - The projects shall be sanctioned to the NGO's and CBO's on the "similar criteria's" as in the GEF Small Grants Program- Criterion for financial support. (Attached at Annexure 1) Also projects sanctioned to NGOs/CBOs shall for a period of 2-3 years duration. All the other determinants shall be the same as the GEF as per Annexure 1, (i.e.) the criteria for selection projects; cross cutting issues of linking the project to local governments; raising co-financing, gender and equity and community livelihoods benefits.
 - The Indicative activities are mentioned in the results and resources framework on page 11 of the document.

C. FUND FLOW ARRANGEMENTS AND FINANCIAL MANAGEMENT

As per the GoI - NEX Guidelines, the Union Ministry of Environment and Forests, the Executing Agency, shall make suitable provision for UNDP funds in its annual budget. At the request of the Executing Agency (MoEF), UNDP will make direct payments and suitable accounting entry will be made in the budget of the Ministry and the Controller of Aid, Accounts and Audit to reflect receipt of such funds by GoI. UNDP will release funds only on receipt of written intimation from the MoEF after the approval of the work plans and budgets by the NPD (for GEF Cell)/ NSC (for SGP India Program).

The Implementing Agency shall maintain a separate bank account for both the components of this project in order to receive and disburse UNDP funds. Separate books of accounts on cash basis of accounting shall also be maintained in order to ensure accurate reporting of expenditure and providing a clear audit trail.

Requests for release of funds by UNDP will be made by the NPD (for GEF Cell) and by NSC (for SGP) through the MoEF as per the UNDP financial report format. The Financial

report will contain, in addition to the information on funds required, information on annual budget, year to year expenditure and available budget.

The NC will send an annual work plan and budget to UNDP with the approval of NPD (for GEF Cell) and NSC (for SGP). Upon receiving written authorization from the Executing Agency, UNDP will make direct payments (for GEF Cell) and release funds in advance with the approval of NSC (for SGP), based on the annual work plan. CEE will report disbursement to the MoEF and UNDP on a quarterly basis, in the financial report format referred to earlier.

D. AUDIT

As per the GoI NEX guidelines, the project shall be subject to audit in accordance with UNDP procedures. In order to meet the UNDP requirements of covering 90 % of the annual NEX expenditure under audit, an annual audit plan will be drawn up in consultation with DEA. The project shall be informed of the audit requirements by January of the following year. The audit covering annual calendar year expenditure will focus on the following parameters: a) financial accounting, documenting and reporting; b) monitoring, evaluation and reporting; c) use and control of non-expendable reporting; and d) UNDP Country office support.

The auditor shall be appointed in consultation with DEA. In line with the UN Audit Board requirements for submitting the final audit reports by 30th April, the auditors will undertake field visits during February/ March. Detailed instructions on audit will be circulate by UNDP separately.

Part IV: LEGAL CONTEXT

This project document shall be the instrument envisaged in the Supplemental Provisions to the Project Document attached hereto.

The following types of revisions may be made to this document with the signature of the UNDP Resident Representative only, provided he or she is assured that the other signatories of the project document have no objections to the proposed changes:

- Revisions in, or addition of, any of the Annexes of the project document (with the exception of a Standard Legal Text for non SBAA countries which may not be altered and agreement to which is a pre-condition for UNDP assistance);
- Revisions which do not involve significant changes in the immediate objectives, outputs of activities of the project but are caused by the re-arrangements of inputs already agreed to or by cost increases due to inflation; and,
- Mandatory annual revisions, which rephrase the delivery of, agreed project inputs or increased experts or other costs due to inflation.

The Executing Agency and Implementing Agency shall, at all times, ensure compliance with the NEX guidelines hereto and also comply with the requirements contained in the UNDP Programming Manual to the extent they do not conflict with the said NEX guidelines or extant rules and provisions of Government of India.

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SECTION: II
RESULTS & RESOURCES FRAMEWORK

- Intended Outcome:**
- Stronger institutional capacity enhanced by the GEF-Cell support, policy inputs and larger dissemination strategy for effective formulation and implementation of GEF projects in India.
 - Strengthening, demonstration and mainstreaming of the GEF SGP model to reconcile global environmental priorities with local community needs and showcasing of the potential of improving effectiveness of reaching out and providing sustainability, policy inputs and knowledge dissemination strategy for effective scaling up and implementation of GEF SGP projects in India which is congruent with national environment and energy policies and UNDP CO and UNDAF outcomes 2008-12.

Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets: Indicator 5.1 Action plans to implement conventions on biodiversity, climate change, desertification, persistent organic pollutants, etc. suitably integrated into national planning framework.

Applicable MYFF Service Line: Service Line 3.3 Access to sustainable energy services
Service Line 3.1 Frameworks and strategies for sustainable development

Partnership Strategy: The project is expected to be participatory involving strong partnership among the stakeholders – MoEF, UNDP CO, SGP India NHI, NGOs and CBOs and other relevant state and local government institutions as well as private sector. During the project cycle co financing partnership with the private and public sector as well as donor agencies will be explored and accessed.

Project title and ID (ATLAS Award ID):

Intended Outputs	Output Targets (Yrs)	Indicative Activities	Responsible Parties	Inputs (In USD)
A. SUPPORT TO GEF CELL				
Capacity Building	2007- 2009	GEF Brochure Papers/ Publications/ Documentaries Website Brainstorming Sessions Regional Dialogues National Dialogue	MoEF & UNDP	1,06,334
Enhancing coordination	► 2007 All year round All year round	Hiring of Associates	MoEF & UNDP	50,666
Monitoring the Performance of GEF Projects	All year round All year round	Maintaining Database Regular Follow up on	MoEF MoEF & GEF	15,000

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	Every 3 month	Project's Performance Review Meetings	agencies MoEF	
B. SUPPORT TO UNDP/ GEF/ SMALL GRANTS PROGRAM				
Demonstration of GEF SGP model to scale up and replication of innovative grassroots initiatives and pilot projects	2007-09	-Selection and pre-appraisal of projects and partners through bi-annual workshops and field visits -Submission of project proposal, pre-screening by RCM and Screening by the NSC -Project Approval, Signing of MoA and Start Implementation -Guiding and linking the partners to various stakeholders including local governments and private sector. -Ensuring local ownerships, co financing and sustainability of projects	MoEF, UNDP CO & GEF SGP India (National Host Institution - Centre for Environment Education-CEE)	560,000
Capacity Building of SGP team and concerned partners and stakeholders	2007-09	-Roaster of experts -Regional Capacity Building Workshops -GEF Thematic Workshops for SGP and other donors, private sector and stakeholders Publications/ Documentaries	MoEF, UNDP CO & SGP India - CEE	32,200
Knowledge Management and communication dissemination	DO	-Updating of the Website - Case studies, links to outside stakeholders, research and academic institutes.		
Monitoring and Evaluation systems for the GEF SGP Projects being scaled up/replicated established	2007 - 09	-Maintaining Database and other related documents updated on projects. -Hiring of consultants specific for the M&E exercises. -Mid term and final field evaluation of Project's Performance. -Sharing best practices and lessons -Review Meetings (Every 3	UNDP CO SGP Focal Point and SGP India* CEE MoEF, UNDP CO and SGP India - CEE. MoEF, UNDP CO and SGP	28,000

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Setting up institutional arrangements for project implementation and results based approaches established.	DO—	month) -Timely setting of the systems and adoption of the similar guidelines as for SGP -Follow up the same systems As SGP	India - CEE DO...	
Accounting and Audit practices established. Submission of Final evaluation reports, documents for projects	DO	Presentation of final M & E reports. -Submission of accounts of final Utilization for the grants -Completion reports		

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**SECTION: III
BUDGET**

Expected Outcome	Budget Line	July - Dec 2007 (In USD)*1	2008 (In USD)	Jan - Jun 2009 (In USD)	Total (In USD)
Support to GEF Cell	CONSULTANTS	12,666	25,333	12,666	50,666
	EQUIPMENT	5,000	1000	1000	7,000
	CONTRACTUAL SERVICES	25,000	60,000	21,334	1,06,334
	TRAVEL	5,000	15,000	5,000	25,000
	MISCELLANEOUS	3,000	5,000	3,000	11,000
	SUB TOTAL		33,700	100,300	66,000
Support to UNDP/ GEF/ SGP	PROJECT FUNDING	140,000	280,000	155,000	575,000
	Knowledge Management*2	7,000	9,100	10,000	26,100
	CONTRACTUAL SERVICES	17,500	35,000	17,500	70,000
	TRAVEL*3	6,000	8,000	6,000	20,000
	EQUIPMENT & MISCELLANEOUS	4,725	3,175	1000	8,900
	SUB TOTAL		175,225	335,275	189,500
TOTAL		208,925	435,575	255,500	900,000

*1 Note: USD 1 = Rs 40.50

*2 Note: Knowledge Management head includes: Training workshops, Exposure visits, Publications, Impact Assessment Studies.

*3 Note: Travel head includes: Project proposal development visits, Project implementation support, monitoring and evaluation visits.

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SECTION: IV TERMS OF REFERENCES

A. SUPPORT TO GEF CELL

Consultant

Status: Service Contract

Duty Station: MoEF, New Delhi

Duration: Initially for one year and on basis of performance maybe extended for another year

Remuneration: As per UNDP guidelines

Responsibilities:

- Assist the MoEF in guiding the project proponents to develop GEFable project.
- Assist the MoEF in the desk review of the project proposals and follow up on the performance of projects
 1. Examining the developments, major events (subsidiary bodies, COP meeting etc.) and decisions; underlining the key issues emerging that may be important from India's perspective
 2. Providing regular inputs to the MoEF - GEF Cell which will be useful in proposal development while also feeding into the GEF national strategy.
- Assist the MoEF in following up with GoI/ State Government to process GEF projects for the endorsement of the Empowered Committee
- Assist the MoEF in coordinating performance review meetings of GEF projects.
- Assist the MoEF in regular activities of GEF Cell in MoEF as well as other work assigned by the MoEF (which includes the NDP and NC).

Project ASSISTANT

Status: Service Contract

Duty Station: MoEF, New Delhi

Duration: Initially for one year and on basis of performance maybe extended for another year

Remuneration: As per-UNDP guidelines

Responsibilities:

- Assist MoEF in providing administrative assistance to the GEF Cell
- Assist MoEF in maintaining files and contact directory of concerned stakeholders
- Assist MoEF in the regular activities of GEF Cell in MoEF as well as other work assigned by the MoEF (which includes the NDP and NC).

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B. SUPPORT TO UNDP/ GEF/ SMALL GRANTS PROGRAM

PROJECT OFFICER

Status: Service Contract

Duty Station: UNDP, New Delhi

Duration: Two years

Remuneration: As per SGP India guidelines

Responsibilities: This person will support and help the SGP India in the following tasks as required by SGP India and will report to the Sustainable Environment and Energy Division Team Leader, UNDP

- In development and amendment of application forms and other management tools, requirements of the program and other SGP documents as required;
- Documenting and culling out co-financing targets, and updating of relevant databases;
- Monitoring of required projects, including participation in field visits as required.
- Help in organizing SGP advocacy events, workshops, round-tables, missions with the SGP NC and prepare the reports;
- Draft articles, publications, speeches, letters, memos and other documents on behalf of NC, and respond to queries on SGP program matter.
- Create and maintain SGP project database and SGP stakeholders' database in coordination with the UNDP GEF SGP KM person and also the website.
- Actively support the SGP and the NSC teams in their efforts towards knowledge management and knowledge networking in coordination the UNDP GEF SGP KM person.
- Advise and link potential grantees on technical project preparation issues, and communicate to SGP India NC and NSC on project development activities, as required;
- Manage and organize everyday office work. Establish a proper filing system and maintain files and documentation in good order; Draft routine correspondence and communications as required;
- Prepare background information and documentation, update data relevant to the program areas and compile background material for the SGP NC for wider dissemination and flow of information and dissemination of materials with all concerned;
- Assist the SGP India NC and the UNDP GEF SGP KM Facilitator in compiling success stories and lessons learned for wider sharing globally; Systematically enhance and broaden own knowledge in the five SGP focal areas to better support the SGP India NC, UNDP GEF SGP KM Facilitator and the NSC.
- Support SGP NC and the UNDP SGP Focal Point as and when needed in all other matters as requested.

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SECTION: V

• CAPACITY FOR PROJECT MANAGEMENT

The proposed Implementing Partners should be identified based on an assessment of their capacity to effectively manage the project and deliver the intended outputs (see checklist of criteria noted below). In addition, to achieve best value for money, the process of selecting an Implementing Partner should ensure the following:

- Maximize the number of appropriate organizations considered to ensure effective competition
- Minimize the complexity of the evaluation and the selection decision
- Ensure impartial and comprehensive evaluation of prospective candidates
- Ensure selection of the candidate whose capability has the highest degree of realism and whose performance is expected to best meet achieve the project outputs

The major criteria to assess capacities required for project management would include the following:

I. TECHNICAL CAPACITY: Ability to monitor the technical aspects of the program or project:

1. Under progress and technical reports are received and interpreted.
2. Ensure regular consultations with beneficiaries and contractors.

II. MANAGERIAL CAPACITY: Ability to plan, monitor and co-ordinate activities:

1. Ensure that an annual program or project review meeting is held.
2. Be able to develop and review an annual work plan.
3. Possess adequate logistical infrastructure: office facilities and space, basic equipment, utilities, communications.

III. ADMINISTRATIVE CAPACITY:

- Ability to procure goods services and works on a transparent and competitive basis:
 1. Assess the ability of vendors to provide the required quality, quantity and competitiveness of goods, services and works.
 2. Have the authority to enter into contracts.
 3. Have standard contracts or access to legal counsel to ensure that contracts establish performance standards, protect UNDP and the institution's interests and are enforceable.
- Ability to prepare, authorize and adjust commitments and expenditures:
 1. Have written procedures for identifying the appropriate vendor, obtaining the best price, and issuing commitments.
 2. Have a system for tracking commitments against budget to prevent overspending and for follow-up on outstanding commitments.
- Ability to manage and maintain equipment. Have a property ledger (inventory) to track all important details about property and its cost, annually.
- Ability to recruit and manage the best-qualified personnel on a transparent and competitive basis:
 1. Be able to staff the program or project and enter into contract with personnel.
 2. Use written job descriptions for consultants or experts.
 3. Have standard contracts or access to legal counsel to ensure that contracts establish performance standards and, protect UNDP and the institution's interests.

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IV. FINANCIAL CAPACITY:

- Ability to produce program and project budgets:
 1. Track commitments, expenditures and planned expenditures against budget on a consolidated basis.
 2. Maintain a program or project budget showing the timing of planned expenditures, for each year, by quarter.

- Ability to ensure physical security of advances, cash and records:
 1. Maintain a checking account in a reputable bank and a secure safe for any cash on hand.
 2. Have clear procedures on authority, responsibility, monitoring and accountability for handling funds.

- Ability to disburse funds in a timely and effective manner:
 1. Have written procedures for processing payments to control the risks through segregation of duties, and transaction recording and reporting.
 2. Have monitoring controls, such as independent bank reconciliations.
 3. Have a means of verifying receipt of goods or performance of services and proper authorization.
 4. Be able to manage the status of expenditures against budget, and the remaining available budget.
 5. Have a policy of making payments by their due dates as stated on the invoice or in the contracts and be able to demonstrate performance against this standard.

- Ability to ensure financial recording and reporting:
 1. Have a reporting system that tracks all commitments and expenditures against budgets by line.
 2. Have a reporting system that allows program or project expenditures to be reported to UNDP quarterly, and which accumulates program or project-to-date expenditures against budget for management purposes.

The following table describes where to find information on the capacities of a NGO which is considered to serve as the implementing partner. It helps analyze available capacities in accordance with the above list of key considerations for management. (It can of course also be used in cases where the NGO serves as a contractor.)

Table: Sources of information for assessing the capacities of an NGO

What to assess	Types of things to look for
1. Roles and functions <ul style="list-style-type: none">• Mission statement or charter• Mandate and policies	<ul style="list-style-type: none">• Registration with Government or umbrella NGO• Charter document• Annual report• Policy documents• Legal incorporation documents• Compatibility between the goals of the NGO and purpose of the project
2. Structures and systems <ul style="list-style-type: none">• Governing or oversight board	<ul style="list-style-type: none">• Database or profile of NGO• Reports on the annual meeting of the governing body• Accounting system

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What to assess	Types of things to look for
<ul style="list-style-type: none">• Management structure• Decision-making structure• Financial and budgeting system• Accounting system• Information and monitoring systems• Evaluation and reporting systems• Procurement system• Absorptive capacity• Organizational outreach• Stakeholders• Fund-raising capacity	<ul style="list-style-type: none">• A bank account or bank statements• Audited finances• Well-designed project and program documents as well as evaluations and reports• Copies of rules and procedures and examples of compliance• Example of how procurement is done• Evaluation and monitoring reports and newsletters• Minutes of management or decision-making meetings• NGO organizational chart• Balance sheets: inflow/outflow of funds



**Rakesh Malhotra,
Under Secretary(UN)**

Tele: 23092181

See

भारत सरकार
वित्त मंत्रालय
आर्थिक कार्य विभाग

Government of India (Bharat Sarkar)
Ministry of Finance (Vitta Mantralaya)
Department of Economic Affairs (Arthik Karya Vibhag)

D.O. No. 30/2/06-UN

नई दिल्ली/New Delhi,8.10.2007

Dear Ms Deirdre Boyd,

I enclose a copy of the project proposal received from Ministry of Environment & Forests on "Capacity Development Initiative" for strengthening of the GEF Cell in the Ministry and scaling up of the UNDP/GEF Small Grants Programme (SGP) at an estimated cost of US \$ 900,000.

DEA supports the proposal of Ministry of Environment & Forests and requests that it may be considered favourably for UNDP support.

With regards,

Yours sincerely,

(Rakesh Malhotra)

**Ms Deirdre Boyd,
Country Director,
UNDP,
55, Lodi Estate,
New Delhi – 110 003.**